

LFC Requester:**Theresa Rogers**

**AGENCY BILL ANALYSIS
2016 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:

LFC@NMLEGIS.GOV

and

DFA@STATE.NM.US

{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check all that apply:

Original x **Amendment**
Correction **Substitute**

Date 1/30/2016

Bill No: SB 235

Sponsor: Sen. Michael Sanchez

Agency Code: 305

 Medical Cannabis Financial
 Transactions

Person Writing Susan Sullivan AAG

Short

Phone: 827-6070

Email ssullivan@nmag.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY16	FY17		

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY16	FY17	FY18		

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY16	FY17	FY18	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE**BILL SUMMARY**

This analysis is neither a formal Attorney General's Opinion nor an Attorney General's Advisory Letter. This is a staff analysis in response to an agency's, committee's, or legislator's request.

Synopsis:

SB 235 enacts a new section and amends Section 26-2B-1, NMSA 1978.

SB 235 establishes its purpose in stating that the use of cash in connection with medical cannabis is detrimental to public safety.

In Section 2, SB 235 creates a new section requiring the department of public safety before September 1, 2016 to contract with a financial processing provider to process medical cannabis related financial transactions. It further specifies the qualifications of the financial processing provider.

In Section 2, C, SB 235 requires that the contract with a financial processing provider is in place and a date for performance is established, the department of corrections and the department of health shall notify licensed producers, primary caregivers and qualified patients that all financial transactions related to medical cannabis shall be made through the provider and shall not be made using cash.

In Section 2, D, SB 235 requires the department of public safety to promulgate rules to provide for financial transactions related to medical cannabis to be made using cash or another method if the provider that contracted with the department is temporarily unable to process those transactions due to unforeseen circumstances.

FISCAL IMPLICATIONS

None noted

SIGNIFICANT ISSUES

None noted

PERFORMANCE IMPLICATIONS

None noted

ADMINISTRATIVE IMPLICATIONS

Coordination between the department of health and the department of public safety related to

dual responsibility.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None noted

TECHNICAL ISSUES

None noted

OTHER SUBSTANTIVE ISSUES

None noted

ALTERNATIVES

None noted

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status quo.

AMENDMENTS

None noted